

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 043484

55

ORIGIN IO-10

INFO OCT-01 EUR-12 ISO-00 AID-05 EB-07 L-02 CIAE-00 INR-07

NSAE-00 FRB-03 OMB-01 TAR-01 SP-02 AGR-05 COME-00

LAB-04 OIC-02 SIL-01 STR-01 TRSE-00 CIEP-01 CEA-01

/066 R

DRAFTED BY IO/CMD:HHOFFMAN/AID/PPC/IA:LRUDEL/A

APPROVED BY IO/CMD:DFORMAN

EB/OT/GCP:CBLACK

----- 064493

P R 262027Z FEB 75

FM SECSTATE WASHDC

TO AMEMBASSY VIENNA PRIORITY

INFO USMISSION USUN NEW YORK

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USMISSION GENEVA

LIMITED OFFICIAL USE STATE 043484

E.O. 11652: N/A

TAGS: UNIDO, OCON, EGEN

SUBJECT: UNIDO - PREPARATIONS FOR LIMA

REF: A)STATE 37567; B) VIENNA 1625; C) STATE 41860

1. AFTER CAREFUL REVIEW TEXT OF G-77 DRAFT DECLARATION AND PLAN OF ACTION AS AMENDED BY FRENCH-CHAIRLED GROUP B WORKING GROUP, WE ARE OF STRONG VIEW THAT INTRODUCTION OF NEW DOCUMENT PROVIDES NO RPT NO ADVANTAGE TO GROUP B OVER DRAFT SUBMITTED TO UNIDO II PREPARATORY COMMITTEE IN JANUARY. US CAN SUPPORT ALL PARAS OF JANUARY DRAFT, BUT NEWLY-PROPOSED LANGUAGE RAISES SOME SUBSTANTIVE AND MANY LANGUAGE PROBLEMS. WE HIGHLY DOUBTFUL OF POSSIBILITY TO DEVELOP ACCEPTABLE REVISED TEXT AND ARE HIGHLY SKEPTICAL OF USEFULNESS OF PURSUING THIS LINE OF WORK PRIOR TO LIMA.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 043484

2. IN OUR VIEW, INTRODUCTION OF NEW TEXT AT THIS STAGE WILL DOUBTLESSLY CONFUSE LIMA NEGOTIATIONS AND COULD LEAD TO BREACH IN GROUP B. REPORT OF ALGIERS MEETING SUGGESTS GROUP OF 77 INTENDS MAJOR CONFRONTATION AT LIMA. OUR ESTIMATE IS THAT SUBMISSION OF SOFTER TEXT CANNOT HEAD OFF CONFRONTATION IN ANY CASE AND WILL HAVE GROUP B STARTING FROM WEAKER POSITION.

3. FOR YOUR INFORMATION AND USE IN DISCUSSIONS WITH GROUP B, MOST SERIOUS DIFFICULTIES FOR US INVOLVE FOLLOWING PARAGRAPHS:

LIMITED OFFICIAL USE

A) PREAMBLE PARA 19: THIS PARA IS VERBATIM FROM THE SIXTH SPECIAL SESSION PROGRAM OF ACTION, AND WE CANNOT ACCEPT IT BECAUSE OF THE CLEAR REFERENCE TO INDEXATION. THE REVISION CONTAINS A SIMILAR IMPLICATION. WE WOULD RECOMMEND IN ITS PLACE THE FOLLOWING "AND THE DESIRABILITY OF DEVELOPING COUNTRIES OBTAINING PRICES FOR THEIR EXPORTS WHICH ARE EQUITABLE FOR BOTH PRODUCERS AND CONSUMERS."

B) DECLARATION PARA 4: US CANNOT ACCEPT REFERENCE TO IMPLEMENTATION OF THE NEW INTERNATIONAL ECONOMIC ORDER. THESE REFERENCES ALSO EXIST IN SEVERAL OTHER PARAS. WE WOULD ALSO REQUIRE ANY REVISION TO REFLECT THE ACTUAL ROLE OF US GOVERNMENT VIS-A-VIS US INDUSTRY.

C) DECLARATION PARA 8: SEE REFTEL (C).

D) DECLARATION PARA 15: REVISED LANGUAGE IS PEJORATIVE TO MARKET ECONOMY SYSTEM.

E) PLAN OF ACTION (P OF A) PARA A2(A): REVISION NOT ACCEPTABLE BECAUSE IT GIVES UNCTAD NEGOTIATING ROLE ON TARIFF AND NON-TARIFF BARRIERS AND ENDORSES REDUCTIONS ON PREFERENTIAL BASIS WITHOUT REFERENCE TO GSP.

F) RE STANDSTILL PARA US DOES NOT ACCEPT OBLIGATION FOR PRIOR CONSULTATION.

G) P OF A PARA A2(C): US NOT PREPARED ENDORSE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 043484

ANTICIPATORY ADJUSTMENT ASSISTANCE.

H) P OF A PARA C1(C): US UNABLE TO ACCEPT LANGUAGE BECAUSE GATT REGULATIONS DO NOT ADEQUATELY COVER QUESTIONS OF SUBSIDIES AND COUNTERVAILING DUTIES.

I) P OF A PARA C1(D): US DOES NOT ACCEPT ODA TARGET.

4. REALIZE THAT SECTION INSTITUTIONAL ARRANGEMENTS  
LIFTED FROM REVISED TEXT BUT BELIEVE IT MIGHT BE USEFUL  
TO MAKE CLEAR TO GROUP B AT THIS TIME THAT US INTENDS  
TO HOLD LINE FIRMLY ON SUCH CENTRAL INSTITUTIONAL ISSUES  
AS SPECIALIZED AGENCY STATUS AND BUDGETARY AND PERSONNEL  
AUTONOMY. FURTHERMORE, POSITION PAPERS PREPARED FOR  
UNIDO II WILL REFLECT POSITIONS WHICH ARE INITIALLY  
NEGATIVE ON OTHER LDC INSTITUTIONAL PROPOSALS.  
FOLLOWING THIS, WE ARE UNABLE TO SUPPORT LANGUAGE OF  
REVISED TEXT RE PARA 18 OF DECLARATION AND SECTION E  
OF PLAN OF ACTION WITH EXCEPTIONS OF PARAS E(9) AND E(10).

5. WHILE US POSITIONS MAY APPEAR UNDULY NEGATIVE, WE  
BELIEVE IT USEFUL TACTIC TO COMMENCE WITH HARD LINE IN  
HOPE OF STIFFENING BACKBONE OF OTHER GROUP B  
COUNTRIES. KISSINGER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE043484  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** HHOFFMAN/AID/PPC/IA:LRUDEL/A  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750068-0195  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750210/aaaaaims.tel  
**Line Count:** 131  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN IO  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 TATE 37567, 75 VIENNA 1625, 75 STATE 41860  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 31 MAR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <31 MAR 2003 by BoyleJA>; APPROVED <19 MAY 2003 by MorefiRH>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNIDO - PREPARATIONS FOR LIMA  
**TAGS:** OCON, UNIDO  
**To:** VIENNA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006